FROM THE INVESTMENT STRATEGY GROUP

INVESTMENT INSIGHTS

THE HANDOFF

The Calamos Wealth Management Market Commentary is provided for informational purposes only. The commentary reflects the views and opinions of the Calamos Wealth Management Investment Team and is intended for clients and constituent audiences of Calamos Wealth Management. Content is organized to suit a variety of readers, with summary bullet points, a variety of reference exhibits and comprehensive narrative to provide context for the information and viewpoints shared.

EXECUTIVE SUMMARY

1) We have transitioned from a global economic lift-off spurred by unprecedented monetary and fiscal policies to a handoff to well-positioned consumers and corporate America.

2) We are only in year two of an economic expansion that generally continues for five to eight years.

3) Concerns for unemployment levels have transitioned to concerns to find enough workers. A better problem to face.

4) Concerns for domestic equity valuations are being chipped away by very robust corporate earnings.

5) The baseline case for inflationary concerns is that they are focused on sectors that have been most disrupted or face supply chain problems. We agree with the Federal Reserve that higher inflation rates of late are transitory.

6) We expect markets to embrace a risk-on environment. We believe equities – particularly value, some small cap sectors, international and selective clean energy are particularly well-positioned.

7) While the domestic equity market averages approximately six pullbacks of at least 5%, we haven't had any yet this year. Expect that volatility could potentially increase, but don't run from it.

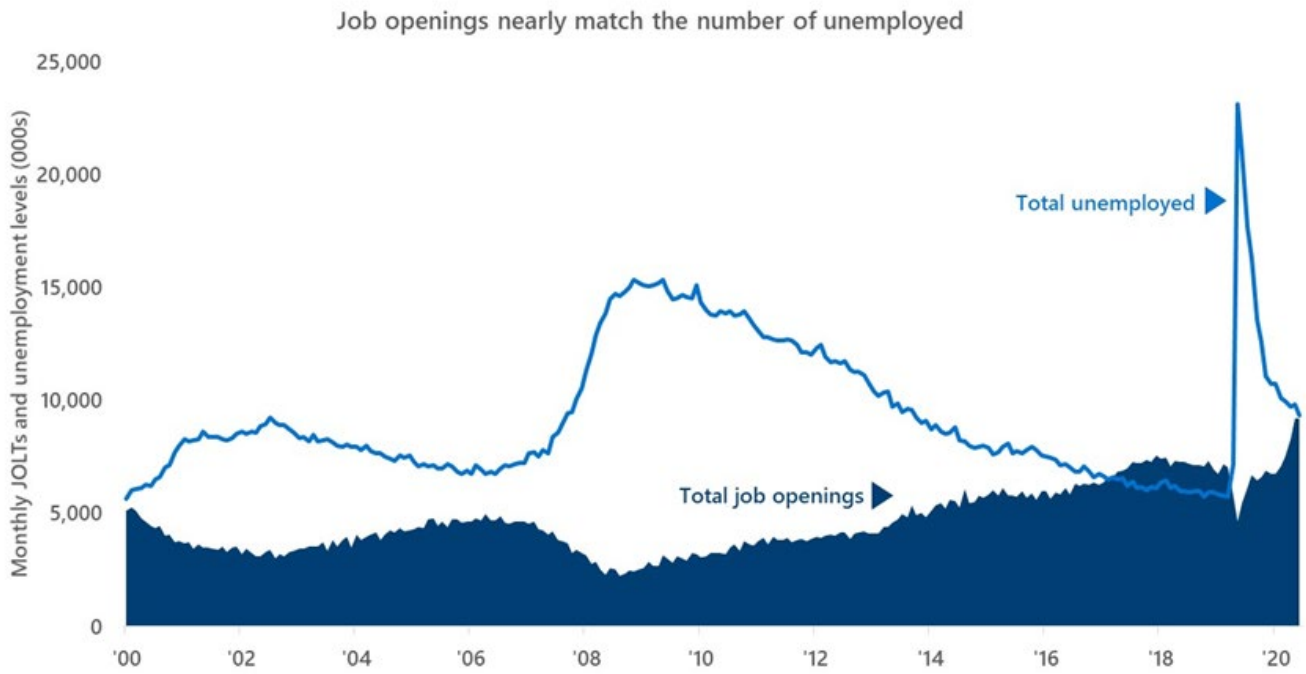
THE HANDOFF

After the collapse of economies and markets in the early months of 2020, we started commenting that panic may also be a pandemic. Naturally, we were concerned for the devastating impacts of a global pandemic on humankind, but through an economic lens we reverted back to the Global Financial Crisis (GFC) as a roadmap. As a refresher, the GFC occurred as consumers and corporations were overextended when the real estate bubble burst. One role of governments and specifically central banks is to be the support net and carrier of markets until corporate America and consumers can get their legs. Hence, the handoff.

As we evaluate our current situation, it is obvious that the unprecedented levels of global fiscal and monetary stimulus helped us transition out of a sharp but short recession. Confidence has been restored. We are now witnessing a broadening in economic growth from a few industries to many. And, very importantly, the economy and consumers are no longer reliant on government subsidies, which are starting to roll off.

As we write this commentary, full-year 2021 GDP (i.e., Gross Domestic Production; a measure of economic growth) is expected to come in at the highest growth rate in 37 years. Corporate America (i.e., S&P 500) is expected to report year-over-year earnings growth for the second quarter of approximately 64%. And, people are getting back to work. In fact, as unemployment insurance and transfer payments are rolling off, there are now more job openings than the total number of unemployed. This handoff is certainly welcomed. Exhibit 1 shows the level of job openings (i.e., JOLTS survey) along with the total number of unemployed.

Exhibit 1: JOLTS



Source: Bloomberg. As of 6/30/2021. U.S. Job Opening by industry index is seasonally adjusted and tracks the number of specific job openings in an economy. Job vacancies generally include either newly created or unoccupied positions (or those that are about to become vacant) where an employer is taking specific actions to fill these positions. US Unemployment workers in the labor force is seasonally adjusted and measures the number of people who are without work (not in paid employment or self-employed), currently available for work and seeking work (taking specific steps to find work).

To provide some levity, the cartoon in exhibit 2 really drives home the point of transitioning from high levels of unemployment to new welcome problems of business owners finding workers.

Exhibit 2: Employees are Hard to Find

Markets naturally find things to worry about. In recent times, it has been concerns for the run-up in equity prices or the concern for run-away inflation. Let's take a closer look at these two issues.

EQUITY MARKET MOMENTUM – IS THE END OF THE RUNUP NEAR?

While we have witnessed a significant runup in equity markets, not all equity markets are the same, nor are all sectors and types of companies within the S&P 500 the same. It is important to note that economic expansions normally last five to eight years and we are only in year two of an expansion supported by unparalleled global stimulus. And, as equity markets tend to be a leading economic indicator it is also informative to note that equity markets tend to top out when corporate earnings top out. At this pace, we are seeing unprecedented levels of earnings beating expectations. This all sets the stage for impressive earnings to come for the next few years.

INFLATION – WILL IT KILL THE ECONOMIC EXPANSION?

No. While year-over-year inflation has recently posted lofty increases, it is important to note a few key points. First, the base-effect of year-over-year comparisons naturally shows a high inflation number due to the low levels of the recession last year. Second, there are still many global supply chain kinks contributing to many isolated problems that we believe are transitory. In fact, approximately 60% of recent inflation numbers have come from planes, trains, and automobiles. That is, airline activity is picking up, cargo freight is picking up to replenish inventory levels and the automobile market, specifically used cars, is rather remarkable in part due to a semi-conductor chip shortage. As a sign that these trends can reverse, lumber prices have dropped over 50% in recent months.

There can be good and bad inflation. Global central banks have been trying to manufacture higher levels of inflation for years if not decades. In fact, the Federal Reserve has adopted a new monetary policy of running higher average rates of inflation. This is significant and should not be underappreciated. We would also note that the economy and markets can withstand much higher rates of inflation without a problem. From a technical standpoint, negative real interest rates (post-inflation) should be much higher than they are today. For example, with the U.S. 10-year Treasury at 1.37% (June 12, 2021) and a with a 2.5% inflation rate (arbitrarily chosen level), real interest rates would be -1.13%. Translating this to a nominal interest rate level, most economists believe the equity markets should be able to digest higher interest rates up to 3.5% (vs. 1.37% today).

Exhibit 3: Interest Rate Shakes – Historically, Inflation Has Been Elusive

Source: Bloomberg. Past performance may not be indicative of future results. As of 6/30//21. Inflation in this chart is defined as the Personal Consumption Expenditure ("PCE"), which is a measure is the component statistic for consumption in gross domestic product (GDP) collected by the United States Bureau of Economic Analysis (BEA). It consists of the actual and imputed expenditures of households and includes data pertaining to durable and non-durable goods and services. It is essentially a measure of goods and services targeted towards individuals and consumed by individuals.

MARKET RECAP

As the U.S. and the rest of the world began to heel from the worst pandemic in over 100 years, investors continue to flock to risk assets and away from safe havens. Global equity markets (MSCI ACWI) gained 7.5% in the quarter with the U.S. (S&P 500) outpacing both international developed and emerging markets. Within the U.S., factor rotation edged back in favor of growth versus value as the former returned nearly 12% (Russell 1000 Growth), compared to the latter at 5.2% (Russell 1000 Value). And small caps (Russell 2000) took a breather from last quarter's torrid pace with a return of 4.3%.

Global Infrastructure (S&P Global Infrastructure), a sub-component to the broader Real Asset category, saw a 2.3% gain in the quarter after a positive first and second quarter and a 5.8% decline in 2020. Global Infrastructure is comprised of three primary sectors – Utilities, Industrials & Energy. Last year, the Energy sector was the primary headwind with Utilities seeing the most gains. To date, energy has been the star of the category in part due to Oil's (WTI) jump from $48.52 at the start of the year to over $75. We've come a long way since Oil was in negative territory in April, 2020.

Convertible markets pushed ahead with a 4.5% gain in the U.S. (Barclays U.S. Convertible) and 4.2% globally (Barclays Global Convertible). Global convertible issuance trends are tracking at a record pace driven by first-time corporate issuers; a favorable macro backdrop.

Fixed income markets have broadly healed from the Covid-19 global pandemic. Last year, investors sought safety. In 2021, investors are wondering where their yield is going to come from. Treasury yields dropped in the quarter from 1.74% to 1.47%, giving some reprieve to the U.S. Aggregate index after a dismal performance last quarter. In the second quarter U.S. Aggregate returned 1.8%, but it was corporate credit, especially investment grade that led the way. Corporate investment grade credit (Bloomberg Barclays U.S. Corporate) gained 3.5% in the quarter with high yield (Bloomberg Barclays High Yield) returning 2.7%.

Municipal bonds (Barclays U.S. Municipal Index) gained 1.4% in the quarter. Investor flows have been strong to date at $48.2 billion, nearly 120% of the total for all of 2020 according to the Investment Company Institute

Exhibit 4: Primary Asset Class Returns

				Annualized	
World Equity	**Q2-'21**	**YTD**	**2020**	**3Yr**	**5Yr**
World Equity	7.5%	12.5%	16.9%	15.2%	15.2%
U.S. Equity	**Q2-'21**	**YTD**	**2020**	**3Yr**	**5Yr**
U.S. Large Cap	8.5%	15.2%	18.4%	18.6%	17.6%
U.S. Small Cap	4.3%	17.5%	19.9%	13.5%	16.4%
U.S. Growth	11.9%	13.0%	38.5%	25.1%	23.6%
U.S. Value	5.2%	17.0%	2.8%	12.4%	11.8%
Non-U.S. Equity (in USD)	**Q2-'21**	**YTD**	**2020**	**3Yr**	**5Yr**
Int'l Developed	5.4%	9.2%	8.4%	8.9%	10.9%
Emerging Markets	5.1%	7.4%	18.8%	11.6%	13.4%
Europe	7.6%	12.3%	5.8%	9.2%	11.0%
Japan	-0.3%	1.3%	15.1%	7.6%	10.7%
China	2.3%	1.9%	29.6%	10.5%	16.7%
Convertibles	**Q2-'21**	**YTD**	**2020**	**3Yr**	**5Yr**
U.S. Convertibles	4.5%	6.6%	50.3%	22.1%	19.6%
Global Convertibles	4.2%	5.5%	38.8%	60.1%	15.1%

EQUITY

CONVERTIBLES

FIXED INCOME

Fixed Income	Q2-'21	YTD	2020	3Yr	5Yr
Global Aggregate	1.3%	-3.2%	9.2%	4.2%	2.3%
Global Aggregate ex. US	0.9%	-4.4%	10.1%	3.1%	1.6%
U.S. Aggregate	1.8%	-1.6%	7.5%	5.3%	3.0%
U.S. Corporate	3.5%	-1.3%	9.9%	7.8%	4.9%
U.S. Municipal	1.4%	1.1%	5.2%	5.1%	3.2%
U.S. High Yield	2.7%	3.6%	7.1%	7.4%	7.5%

Real Assets

Real Assets	Q2-'21	YTD	2020	3Yr	5Yr
Global Infrastructure	2.3%	5.3%	-5.8%	5.5%	6.2%

OTHER

Other (based on End-of-Period)	Q2-'21	Q4-'20	2020	3Yr	5Yr
Oil (WTI)	$73.47	$59.16	$48.52	$74.15	$48.33
10 -year Treasury Rate	1.47%	1.74%	0.91%	2.86%	1.47%
Fed Funds Rate	0.1%	0.1%	0.1%	1.9%	0.3%

Source: Bloomberg (As of June 30, 2021) Returns for periods greater than 12 months are annualized; Past Performance is no guarantee for future results World Equity = MSCI ACWI, U.S. Large Cap = S&P 500, U.S. Small Cap = Russell 2000, U.S. Growth = Russell 1000 growth index, U.S. Value = Russell 1000 value index, International Developed = MSCI EAFE, Emerging Markets = MSCI EM, Europe = MSCI Europe, Japan = MSCI Japan, China = MSCI China, U.S. Convertibles = Bloomberg Barclays US Convertibles Composite, Global Convertibles = Bloomberg Barclays Global Convertibles Composite, Global Aggregate = Bloomberg Barclays Global Aggregate, Global Aggregate ex U.S. = Bloomberg Barclays Global Aggregate ex USD, U.S. Aggregate = Bloomberg Barclays. U.S. Aggregate, U.S. Municipals = Bloomberg Barclays Municipal Bond Index, U.S. High Yield = Bloomberg Barclays US Corporate High Yield., Global Infrastructure = S&P Global Infrastructure index.

PORTFOLIO IMPLICATIONS

As we wrote in our previous market commentary, U.S. and global economies are experiencing an accelerated and synchronized liftoff. The implementation of vaccines and therapeutics is getting us closer to near herd immunity as economies re-open. We are now transitioning from a roll-off in many stimulus policies and talks of new ones are being tempered. This is fine and considered better by many as the handoff from central banks to consumers and corporations is on solid footing. Overall, we expect a positive environment for risk assets. We believe equities, particularly value, small-cap, international and selective clean energy, munis and credit sensitive debt are relatively well-positioned. Please note our recent and timely topic paper on clean energy investment opportunities, titled "ESG – A Clean Energy Perspective".

Equities

Within equities, we witnessed a narrowness in how many companies drove overall S&P 500 returns in 2020. The majority of best performing companies (large, technology and growth oriented) drove the broader market. As we have often stated, as the economic expansion continues, there will be a broadening in the number of companies that are participating and driving overall equity returns. To that point, Exhibit 5 shows that these Growth companies are at historical highs regarding outperformance to Value. However, the rotation to Value has started and earnings growth expectations for Value is significantly higher than for Growth companies for 2021. Depending upon objective, most portfolios should have exposures to both.

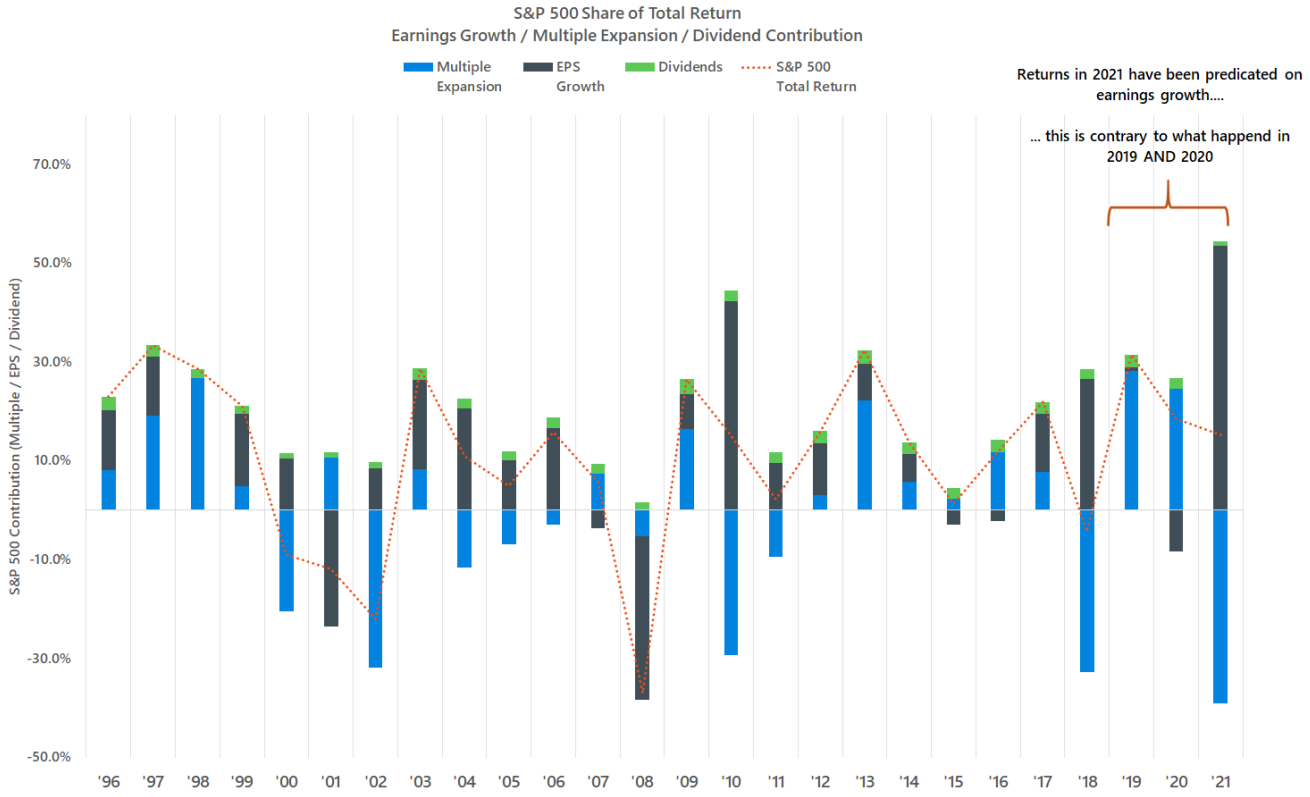
Exhibit 5: A Value Rotation is in Play

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 Est.
Value Earnings up / down per yr. (%)	-25.2%	9.0%	18.0%	27.0%	1.9%	18.4%	-5.7%	-59.2%	55.1%	46.5%	7.6%	15.3%	8.4%	5.0%	-6.4%	-5.6%	10.1%	31.0%	-2.2%	-32.4%	61.1%
Growth Earnings up / down per yr. (%)	6.8%	5.4%	17.0%	15.0%	21.5%	13.6%	8.3%	0.0%	-19.4%	24.9%	13.8%	5.0%	4.0%	5.3%	1.0%	1.0%	12.7%	18.8%	5.1%	-5.6%	43.4%

Source: Bloomberg as of 6/30/2021. Past performance doesn't guarantee future results. Value is represented by the S&P 500 value index. Growth is represented by the S&P 500 growth index. The 2021 Earnings est. is reflective of the expected growth by Wall Street analysts for the underlying companies within the respective index.

As previously highlighted, overall domestic equity valuation levels are expensive based on earnings expectations, albeit those earnings are beating expectations and we expect continued upward revisions. With 2020 domestic equity market returns coming from PE multiple expansions instead of earnings, domestic equity market valuation multiples on earnings are likely to hold or decline – a trend often found in year two of recoveries. This creates more reliance for returns coming from actual earnings going forward. See exhibit 6.

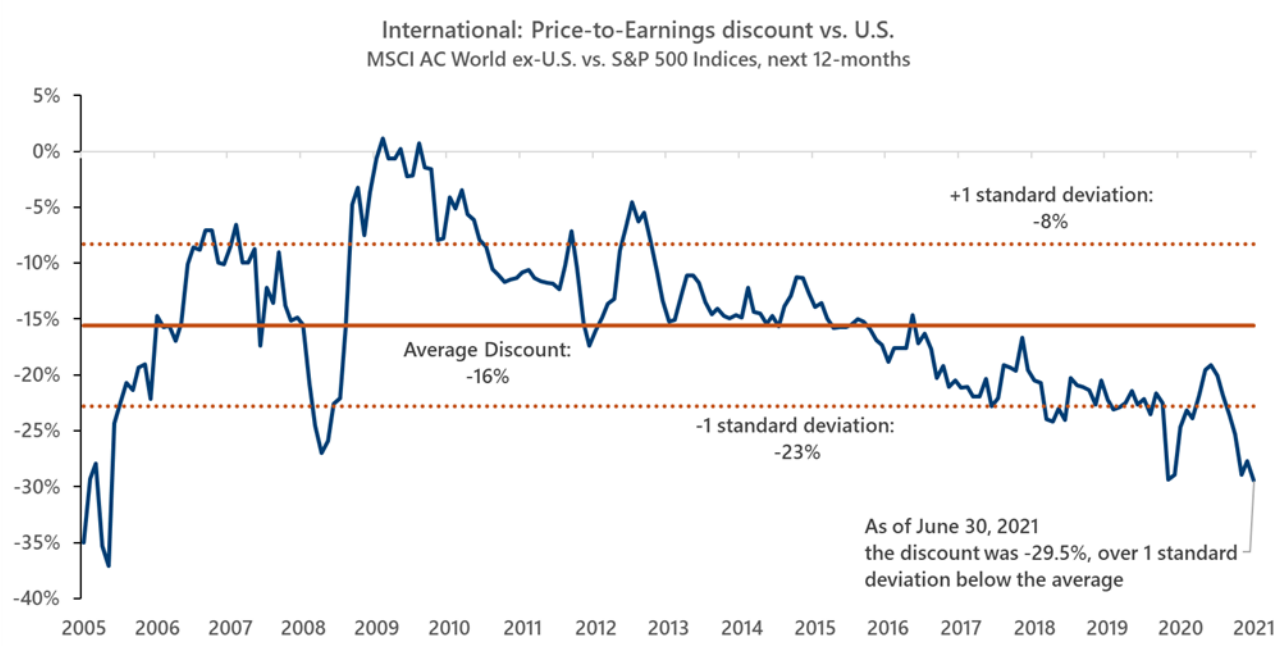
Exhibit 6: Equity Returns May Be More Reliant on Earnings in 2021



Source: Calamos Wealth Management. Bloomberg. Periods analyzed December 31, 1995 – June 30, 2021. The S&P 500 performance is a by-product of the earnings, dividends, and PE multiple expansions in arrears. For 2021 S&P performance represents first quarter results, while earnings are annual estimates are for the year. Earnings Growth = Earnings per share growth year-over-year. Dividend yield is the annual contribution of the dividend yield reinvested. S&P 500 index is an index of the 500 largest corporations by market capitalization listed on the NYSE or NASDAQ. Past performance is no guarantee of future results.

However, not all valuations are even across countries, sectors or individual stocks. This is particularly true for international equities relative to the U.S. as they provide more attractive valuations and prospects. International developed and emerging markets should benefit from a lagging re-opening relative to the U.S., a more stable trade policy environment, strong fiscal and monetary policies and a continued decline in the U.S. dollar – all creating a landscape for stronger returns relative to domestic equities.

Exhibit 7: International Equities Provide Attractive Valuations



Source: Bloomberg as of 6/30/2021. Past Performance is no guarantee of future results. S&P 500 is represented by the S&P 500 Index; International is represented by the ACWI ex. U.S. Index.

Either way, portfolios should generally include this important component, and active managers should exercise their ability to invest in what they deem to be the best regions and companies. As we discuss in our topic paper titled, "Why International Securities?", investing in international equities should not come down to a binary decision between the U.S. and foreign counterparts.

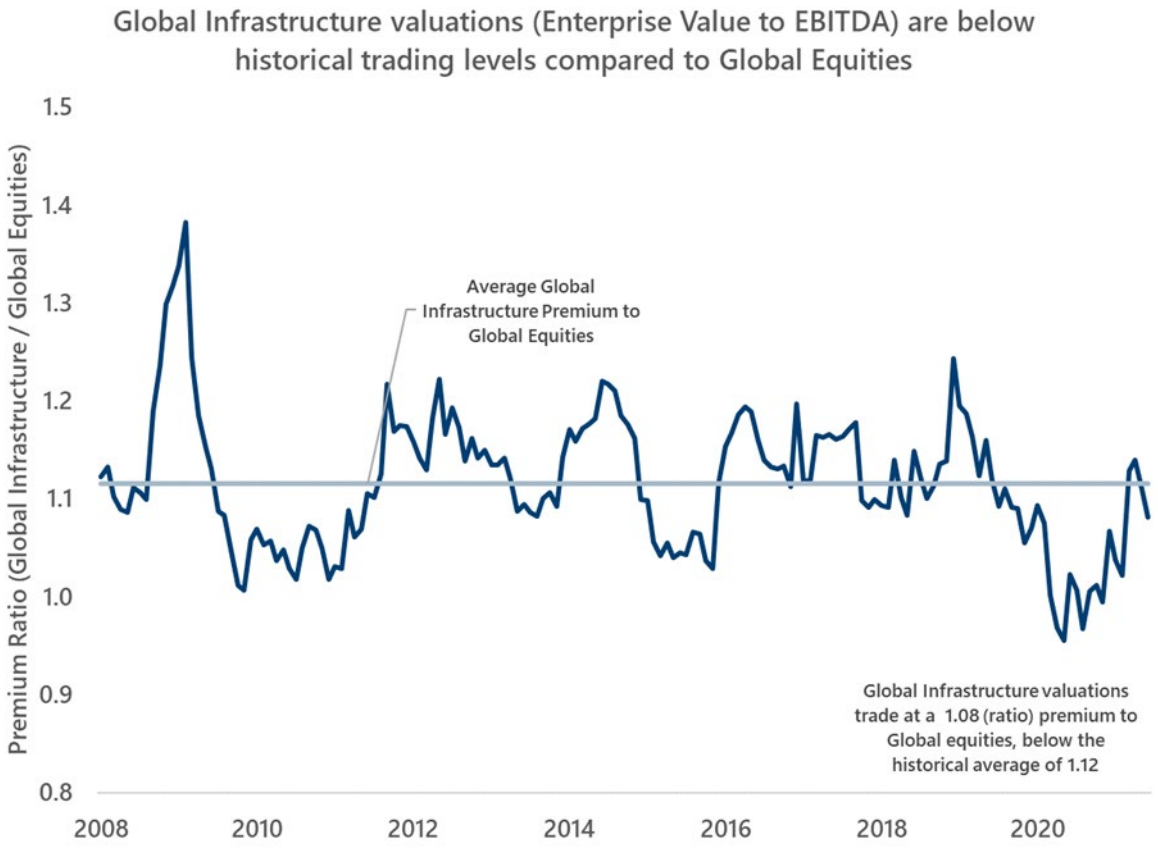
Real Assets

Real assets include investments in commodities, real estate, and infrastructure. Global infrastructure is generally represented through essential services with underlying companies that offer access to long-term assets, high barriers to entry, steady cash flows, and a defensive, lower-risk profile.

Global infrastructure companies have historically provided better downside protection than global equities. They have the ability to plow through recessionary periods better. However, 2020 was atypical as the pandemic seized nearly all economic activity and these securities took a hit. However, we believe that these essential service companies represent one of the cheapest asset classes and are poised well as economic activity picks up. In fact, they participated in the value rotation during the first and second quarters of 2021. Exhibit 8 shows the historical valuation of the asset class relative to global equities. And, one of the strategies that we utilize implements a very conservative valuation parameter on companies in which they invest. We continue to have a high conviction in this asset class and find valuations and yields attractive.

Many governments have linked economic stimulus to clean energy initiatives. This is selectively creating or supporting many investment opportunities. However, it is important to separate speculative buying from good valuations. As we highlight in our paper, "ESG – A Clean Energy Perspective", there are timely investment opportunities in power generation companies within the global infrastructure umbrella.

Exhibit 8: Global Infrastructure Valuations



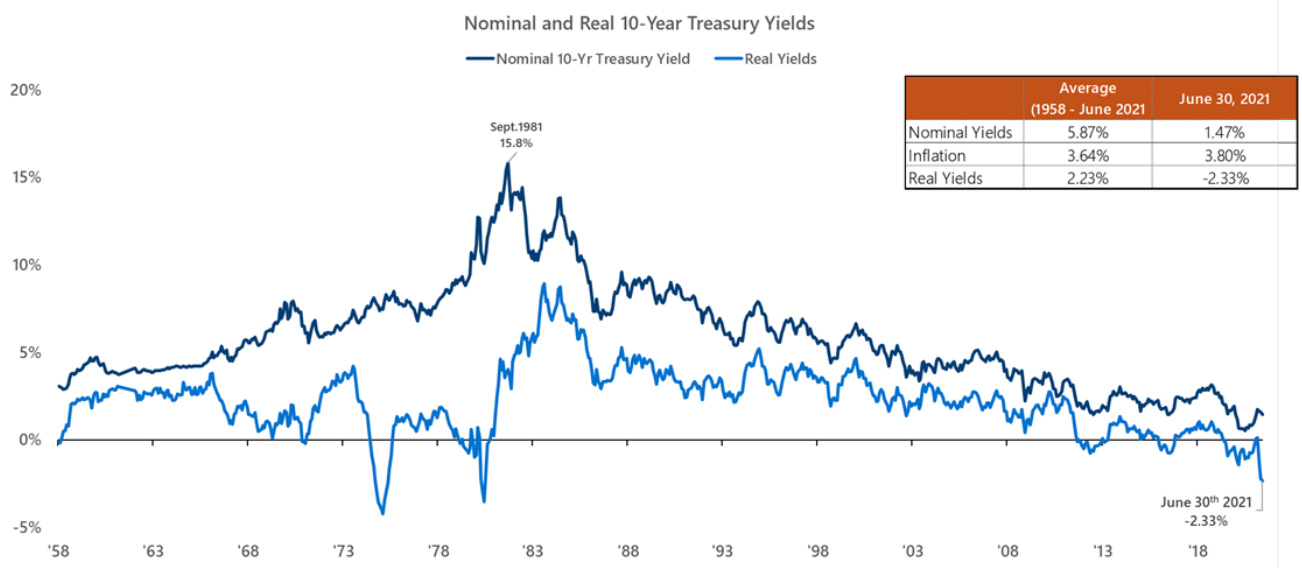
Source: Bloomberg. As of June 30, 2021; Past Performance is no guarantee of future results. Global Equities is represented by the MSCI All World Equity index. Global Infrastructure is represented by the S&P Global Infrastructure Index. EBITDA is defined as Earnings before Interest, Taxes, Depreciation and Amortization. Enterprise Value is defined as the firm's market value plus debt minus cash.

Fixed Income

The Federal Reserve made a significant philosophical change in how they evaluate inflation when setting monetary policies. They indicated that they are going to target higher average levels of inflation than in the past. That is, they want inflation to run above 2% for a meaningful period of time before increasing short-term Fed Funds rates. The European Central Bank has telegraphed a similar message. We don't expect an increase in Fed Funds rates until 2022 or 2023. As we have highlighted above, the current and future for most fixed income asset classes looks challenging.

Bonds, overall, look expensive relative to history, inflation and other asset class comparisons. While the dislocation seen in 2020 was pronounced and presented great opportunities, much of those lower hanging returns have been captured. This is witnessed as the higher credit spreads (i.e., corporate bond yields above treasuries that indicate value) created investment opportunities have meaningfully retraced with some exceptions still existing.

Exhibit 9: Real Yields (post-inflation) are Negative



	Average (1958 - June 2021	June 30, 2021
Nominal Yields	5.87%	1.47%
Inflation	3.64%	3.80%
Real Yields	2.23%	-2.33%

Source: Bloomberg. As of 6/30/21 Source: BLS, FactSet, Federal Reserve, J.P. Morgan Asset Management. Real 10-year Treasury yields are calculated as the daily Treasury yield less year-over-year core CPI inflation that month except for November 2020 where real yields are calculated by subtracting out August 2020 year-over-year core inflation.

Convertibles

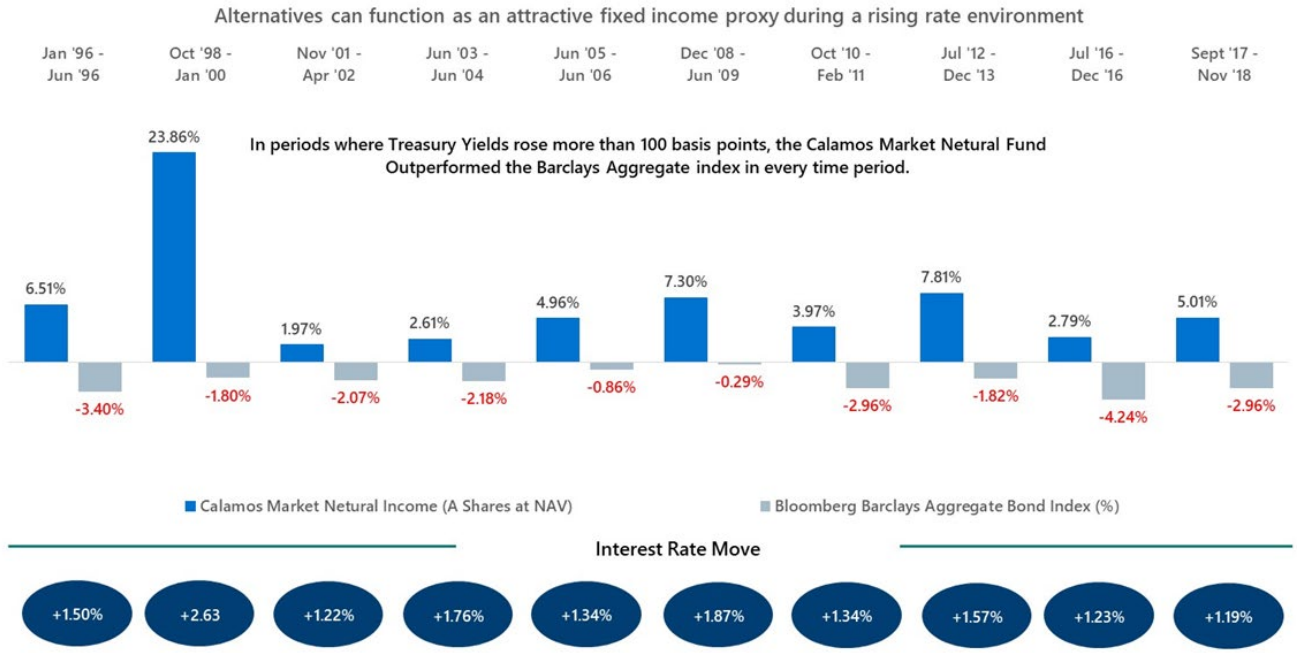
While the tailwinds of higher spreads and market volatility have dissipated as a positive backdrop for convertibles, the environment for convertibles is still favorable. As we expect growth-oriented companies to continue to do well and smaller companies to benefit from a broadening economic environment, convertibles provide exposure to both these factors, but with less volatility than their equity counterparts. Active management is even more important going forward, as active managers can dial up or down the level of equity sensitivity, exposures to underlying sector, as well as manufacture synthetic convertibles to create a desirable behavior.

Alternatives

Given the state of economies and markets, it is important to cast a wider net and consider non-traditional strategies to potentially provide returns and manage risk.

We like market neutral strategies for their diversification (i.e., historically lower correlations to stocks and bonds) and historically lower volatility than both equity and fixed income asset classes. In addition, as low and negative yields dominate global bond markets, a market neutral strategy may be an excellent supplement to fixed income as a similar risk anchor in portfolios. Exhibit 10 shows the attractive behavior of the Calamos Market Neutral Income Fund during rising interest rates.

Exhibit 10: Market Neutral Approach Offers Compelling Behavior



Source: Calamos Investment Management. Past performance is no guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and return of an investment will fluctuate so that your shares, when redeemed may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 2.75% - (Prior to 2/28/17, the fund had a maximum front-end sales charge of 4.75%) – had it been included, the Fund's return would have been lower. The above chart reflects the performance of the A-share class whereas CWM generally uses the less expensive institutional share class.

IN CLOSING

In American football parlance, a handoff generally occurs from the quarterback to a running back that carries the ball downfield. These handoffs occur during the game all of the time and are usually handled without error. The analogy here is that governments and central banks have orchestrated an economic recovery with fiscal and monetary stimulus with the hopes that a handoff to the consumer and corporations, which power economies, is effective. By all measures, we are amidst a handoff with a solid running game for years to come.

Please contact your wealth management advisor or any member of your Calamos Wealth Management advisory team for further information.

Definitions

MSCI Emerging Markets Index (As of 3/31/21) is an index used to measure equity market performance in global emerging markets.

ACWI ex. US (As of 3/31/21): The Morgan Stanley Capital International All Country World Index Ex-U.S. (MSCI ACWI Ex-U.S.) is a market-capitalization-weighted index maintained by Morgan Stanley Capital International (MSCI). It is designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. The MSCI ACWI Ex-U.S. includes both developed and emerging markets.

Russell 1000 Growth Index (As of 3/31/21): refers to a stock market index that is used as a benchmark by investors. It is a subset of the larger Russell 3000 Index and represents the 1000 top companies by market capitalization in the United States. These companies also exhibit a growth probability.

Russell 1000 Value Index (As of 3/31/21): refers to a stock market index that is used as a benchmark by investors. It is a subset of the larger Russell 3000 Index and represents the 1000 top companies by market capitalization in the United States. These companies also exhibit a value probability.

S&P 500 (As of 3/31/21) is represented by the S&P 500 Index, which measures the market performance of 500 large companies on the stock exchanges of the US.

Bloomberg Barclays US Convertible Index (As of 3/31/21). The Convertible Index is measured by Bloomberg Barclays Convertible Securities track a market-cap weighted index of U.S. convertible securities, with an outstanding issue size greater than $500 million. S&P 600 Index is represented by the small-cap range of U.S. stocks using a capitalization weighted index. To be included in the index, a stock must have a total market capitalization that ranges from $600m to $2.4 billion at the time of addition to the index.

S&P Global Infrastructure Index (As of 3/31/21), which provides liquid and tradable exposure to 75 companies from around the world that represent the listed infrastructure universe. In order to create diversified exposure across the global listed infrastructure market, the index has balanced weights a cross three distinct infrastructure clusters: Utilities, Transportation and Energy.

Alerian MLP Index: (As of 3/31/21). The Alerian MLP Index is the leading gauge of energy Master Limited Partnerships (MLPs). The float-adjusted, capitalization-weighted index, whose 50 constituents represent approximately 75% of total market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis (AMZX)

FTSE NAREIT Index: (As of 3/31/21). The FTSE Nareit All REITs Index is a market capitalization-weighted index that and includes all tax-qualified real estate investment trusts (REITs) that are listed on the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market List.

Bloomberg Barclays Treasury Index: (As of 3/31/21). Measures US dollar denominated, fixed rate, nominal debt issued by the US Treasury. Treasury bills are executed by the maturity constraint but are part of a separate Short Treasury index.

ICE BofAML US Municipal Securities Index (As of 3/31/21), which tracks the performance of US Dollar denominated Investment Grade tax-exempt debt publicly issued by US states and territories and their political subdivisions, in the US domestic market.

ICE BofAML US High Yield Municipal Securities Index (As of 3/31/21), which tracks the performance of US Dollar denominated High Yield tax-exempt debt publicly issued by US states and territories and their political subdivisions, in the US domestic market.

Bloomberg Barclays US Corporate High Yield Bond Index (As of 3/31/21), which measures the USD-denominated, high yield, fixed rate corporate bond market. Securities are classified as High Yield if the middle rating on Moody's, Fitch and S&P is Ba1 / BB+ / BB+ or below.

Bloomberg Barclays US Corporate Investment Grade Index (As of 3/31/21) measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Bloomberg Barclays U.S. Aggregate Bond Index (As of 3/31/21), covers the U.S. denominated, investment grade, fixed-rate, taxable bond market of SEC registered securities.

Bloomberg Barclays Emerging Markets USD Aggregate (As of 3/31/21) Index is a flagship hard currency Emerging Markets debt benchmark that includes fixed and floating-rate US dollar-denominated debt issued from sovereign, quasi-sovereign, and corporate EM issuers. Country eligibility and classification as Emerging Markets is rules-based and reviewed annually using World Bank income group and International Monetary Fund (IMF) country classifications. This index was previously called Bloomberg Barclays US EM Index, and history is available back to 1993.

Bloomberg Barclays Global Aggregate ex USD (As of 3/31/21) index and is a measure of investment grade debt from 24 local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and Emerging Market issuers. Bonds issued in USD are excluded.

HFRI Fund Weighted Composite Index (As of 3/31/21), it is a global, equal weighted index of the largest hedge fund that are open to new investments and offer quarterly liquidity or better. The index constituents are classified into Equity Hedge, Event Driven, Macro or Relative Value strategies. The index is rebalanced on a quarterly basis.

S&P Listed Private Equity index (As of 3/31/21), which comprises the leading listed private equity companies that meet specific size, liquidity, exposure and activity requirements. The index is designed to provide tradable exposure to the leading publicly listed companies that are active in the private equity space.

Bloomberg Barclays Global Convertibles (As of 3/31/21): tracks the performance the Global Convertible securities and is unhedged.

MSCI Europe (As of 3/31/21): is a free float weighted equity index that measures the performance of the Europe Developed Markets

MSCI Japan (As of 3/31/21): is a free float weighted equity index of the JPY index.

MSCI China (As of 3/31/21): Captures large and mid-cap representation across China H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs). With 710 constituents, the index covers about 85% of this China equity universe. Currently, the index also includes Large Cap A shares represented at 15% of their free float adjusted market capitalization.

Russell 2000 (As of 3/31/21).is an index measuring the performance of approximately 2,000 smallest-cap American companies in the Russell 3000 Index, which is made up of 3,000 of the largest U.S. stocks. It is a market-cap weighted index.

MSCI EAFE (As of 3/31/21). captures the performance of large- and mid-capitalization companies in the Europe, Australasia and the Far East (EAFE) regions.

GDP: Gross Domestic Product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period. As a broad measure of overall domestic production, it functions as a comprehensive scorecard of the country's economic health.

Equity Risk Premium (ERP): defined as the categories Fwd. Earnings Estimate / Price Yield subtract the risk-free rate (10yr Treasury rate).

Batting Average: Reflects the number of positive outcomes as a percentage of the total.

Yield to Worst: the lowest possible yield that can be received on a bond that fully operates within the terms of its contract without defaulting. It is a type of yield that is referenced when a bond has provisions that would allow the issuer to close it out

before it matures. Early retirement of the bond could be forced through a few different provisions detailed in the bond's contract—most commonly callability.

AVERAGE ANNUAL RETURNS (%)	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE I SHARE INCEPTION	SINCE A SHARE INCEPTION	SINCE R6 SHARE INCEPTION
Calamos Market Neutral Income Fund							
I Shares - at NAV (Inception—5/10/00)	7.08	4.74	4.86	4.25	4.60	N/A	N/A
A Shares - at NAV (Inception—9/4/90)	6.81	4.50	4.60	3.99	N/A	6.10	N/A
A Shares Load adjusted	4.42	3.71	3.60	3.48	N/A	5.93	N/A
R6 Shares - at NAV (Inception—6/23/20)	7.21	N/A	N/A	N/A	N/A	N/A	7.15
BBgBarc US Govt/Credit Bond Index	-0.39	5.95	3.31	3.71	5.14	5.96	-0.39
Bloomberg Barclays Short Treasury 1-3 Month Index	0.07	1.28	1.12	0.59	1.56	2.61	0.07
Morningstar Relative Value Arbitrage Category	12.52	6.54	5.66	4.27	3.76	5.70	12.22

The Bloomberg Barclays U.S. Government/Credit Index and Short Treasury 1-3 Month Index returns"Since A share Inception" start date is 8/31/90. The Bloomberg Barclays U.S. Government/Credit Index, Short Treasury 1-3 Month Index, and Morningstar Category returns "Since I share Inception" start date is 4/30/00.

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 2.75%. Had it been included, the Fund's return would have been lower. You can obtain performance data current to the most recent month end by visiting www.calamos.com.

Relative Value Arbitrage Category is comprised of funds that seek out pricing discrepancies between pairs or combinations of securities regardless of asset class. The S&P 500 Index is generally considered representative of the U.S. stock market.

Morningstar Ratings™ are based on risk-adjusted returns for Class I shares and will differ for other share classes. Morningstar ratings are based on a risk-adjusted return measure that accounts for variation in a fund's monthly historical performance (reflecting sales charges), placing more emphasis on downward variations and rewarding consistent performance. Within each asset class, the top 10%, the next 22.5%, 35%, 22.5%, and the bottom 10% receive 5, 4, 3, 2 or 1 star, respectively. Each fund is rated exclusively against U.S. domiciled funds. The information contained herein is proprietary to Morningstar and/or its content providers; may not be copied or distributed; and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Source: ©2021 Morningstar, Inc. All rights reserved.

There can be no assurance that the Fund will achieve its investment objective.

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